

## ASX ANNOUNCEMENT

8 October 2021

# REACH Canada Accelerator Program and Share Subscription

Australian-listed property technology company, Openn Negotiation Limited (**'Openn'** or **'the Company'**) (ASX: OPN), through its wholly owned subsidiary, Openn USA Inc. (**'Openn USA'**), has been selected by REACH Canada Accelerator Ltd (**'REACH'**) (a Second Century Ventures company) to participate in the REACH Canada 2022 Program (the **'Accelerator Program'**).

Second Century Ventures is an early-stage real estate technology focused venture capital fund backed by the National Association of REALTORS®. Its mission is to help companies connect with the real estate industry and adjacent verticals by helping companies innovate and scale their operations.

REACH helps accelerate and grow promising new technology companies in the real estate and adjacent industries through an intensive event-based program. REACH Canada leverages a community of real estate industry executives, investors, developers, mentors and entrepreneurs, along with the global REACH Accelerator network.

Lynette Keyowski, Managing Partner of REACH Canada said: "We believe Openn has demonstrated great potential to date and has significant opportunity to innovate and grow even further. The achievement of greater transparency and efficiency in a real estate transaction, through a single platform, is optimal for all parties and aligns directly with our objectives to enhance consumers' experience via the real estate community. We are looking forward to working with Openn to help them achieve their goals and execute on their vision in this market."

Openn Managing Director, Peter Gibbons, said: "Openn is extremely honoured to be accepted into the REACH Canada program. Openn is the first company to be invited into multiple REACH programs internationally, which provides us with great confidence that the platform we have developed is genuinely transformational for the real estate sector.

"The North American market is extremely important to us and being able to work with the REACH team and their extensive network underpins our market entry and tailored value proposition to maximise market acceptance and growth.

"As we have found through our experience of partnering with REACH Australia, participation in the REACH Canada program will deliver unparalleled opportunities and access to new markets and partnerships."

## ACCELERATOR PROGRAM PARTICIPATION

Openn USA has entered into a Participation Agreement with REACH Canada in respect of its participation in the Accelerator Program.

Openn USA representatives will participate in an 8-month curriculum which focuses on revenue growth, strategic planning, capital (including M&A and securing investment), and building networks/strategic relationships. The curriculum is delivered by virtual sessions as well as optional in-person sessions.

The curriculum is an event-based program which provides mentorship, networking opportunities and exposure to the global real estate marketplace.



In consideration for participating in the Accelerator Program, Openn will pay a US\$250,000 program fee to REACH and its affiliates by way of instalments, with US\$100,000 payable up-front, and the balance to be paid in monthly instalments of US\$50,000 each.

## EQUITY INVESTMENT

In addition to inviting Openn USA to participate in the Accelerator Program, Openn has entered a binding side letter with REACH under which REACH affiliates will make an equity investment in Openn by subscribing for 2,060,157 fully-paid ordinary shares in OPN ('Shares') at an issue price of AUD\$0.20 per Share. The Shares will be issued under the Company's capacity pursuant to ASX Listing Rule 7.1.

The subscription represents a US\$300,000 (AU\$412,031.31) investment into the Company on the following key terms:

- a) a subscription by REACH Canada 2020 Ventures Ltd for USD\$100,000 worth of Shares at an issue price of AUD\$0.20 per Share; and
- b) a subscription by REACH Ventures, LLC for USD\$200,000 worth of Shares at an issue price of AUD\$0.20 per Share.
- c) For the purposes of calculating the number of Shares to be issued under the subscription, the parties have applied the United States dollar to Australian dollar exchange rate of 0.7281 as reported by the Reserve Bank of Australia on 7 October 2021.
- d) The Shares will be issued on or after 22 October 2021.
- e) The parties will work together with a view to recording the subscription terms in more fulsome and precise detail by way of formal share subscription agreements. If the share subscription agreements are not executed within 30 days, either party may terminate the side letter.

While Openn is confident the subscription agreements will be executed, there is a risk that this may not occur in which case the subscription may not proceed.

**This announcement is authorised for market release by the Board of Openn Negotiation Ltd.**

**Darren Bromley**  
Director / Company Secretary / CFO

**ENDS**

### Further information:

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### About Openn Negotiation

Openn Negotiation Limited (ASX: OPN) is an Australian property technology ('Proptech') company offering a proprietary cloud-based software platform to support real estate agents in selling property online with greater transparency.

The Openn platform facilitates a negotiation process, featuring streamlined digital contracting and automated communication tools, which enhances a property transaction. The solution provides buyers with real-time

feedback through their device on how much competition exists and where their price stands in the negotiation, resulting in an optimal sales outcome.

### **About Second Century Ventures**

Second Century Ventures (**SCV**) is a venture capital fund focused on promoting innovation in the real estate industry and helping to enable the entrepreneurial spirit of real estate thrive. SCV has been fully capitalised by the National Association of REALTORS®

### **About REACH**

REACH is the industry's growth accelerator - created by Second Century Ventures, a global technology fund backed by the National Association of REALTORS®.

REACH leverages +100 worldwide bilateral partnerships in 85 countries and an unparalleled network of executives within the commercial and residential real estate marketplaces. Second Century Ventures' REACH program manages a portfolio of over 15 0 technology companies.

REACH launches and accelerates the most promising technology companies in the real estate and adjacent industries through an intensive event-based program. Based in Chicago, IL, REACH maintains an exceptional community of real estate industry executives, investors, developers, mentors, and entrepreneurs along with the global REACH network.

### **Forward-Looking Information**

This announcement contains forward-looking information that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, negotiations, and product/service development. Generally, this forward-looking information can be identified by the use of terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.